



GRAIN TRANSPORTATION REPORT

Transportation & Marketing, Agricultural Marketing Service
United States Department of Agriculture

OCTOBER 29, 2002

TM GRAIN TRANSPORT COST INDICATORS	Truck	Rail	Barge	Ocean	
				Gulf	PNW
Indicator Value * for 10/29	98		116	112	99
Compared to Last Week	down		unchanged	up	up
<i>* Indicator: Base Year 2000=100; Cost Data, Weekly Updates include Truck=Diesel, Rail=Nearby Secondary Rail Market; Barge=Spot Illinois River Basis; Quarterly Updates for Ocean Vessel based on Routes to Japan</i>					

Oct. 27-30	2002 American Trucking Management (ATA) Conference & Exhibition	Orlando, FL	703-838-1700 (tel.) www.trucking.org
Nov. 7-8	MARC 2000: Midwest Area River Coalition Annual Meeting	St. Louis, MO	314-436-7303 (ph) http://www.marc2000.org
Nov. 12-15	International Association of Maritime Economists Annual Meeting and Conference	Panama City, Panama	507-263-6716 (ph) 507-263-6804 (fax)
Nov. 14-15	The Fertilizer Institute Outlook Conference	Arlington, VA	202-962-0490 (ph)
Nov. 16-20	95 th Nat'l Industrial Transportation League's (NITL) Annual Meeting/2002 Transcomp Exhibition	Anaheim, CA	703-524-5011 (ph) info@nitl.org
Nov. 19-20	TOC 2002 Americas - The Practical Ports & Terminals Event for the Americas	Miami, FL	Michelle Fisk michelle.fisk@informa.com
Dec. 8-10	Nat'l. Grain and Feed Assoc. (NGFA) 31 st Annual Country Elevator Council Meeting, 6 th Annual Feed Industry Council Meeting & Trade Show.	St. Louis, MO	202-289-0873 (tel.) ngfa@ngfa.org
Dec. 11-13	American Seed Trade Association (ASTA) 32 nd Soybean Seed and 57 th Corn & Sorghum Seed Conference & Seed Expo	Chicago, IL	888-890-7333 (ph) 703-837-8140 (ph)
Jan. 26-31, '03	Wheat Industry Conference	Albuquerque, NM	202-547-7800 (ph) wheatworld@wheatworld.org
Feb. 27-Mar. 1	Commodity Classic Trade Show	Charlotte, NC	Beth Musgrove musgrove@ncga.com 314-275-9915 (ph)

Report is prepared by Deen Olowolayemo, Johnny Hill and Hooshang Fazel, Agricultural Economists, Transportation & Marketing, Agricultural Marketing Service, USDA (202) 690-1304. Support provided by Upper Great Plains Transportation Institute, North Dakota State University. This report can be found on the Internet at www.ams.usda.gov/tmd/grain.htm or contact Surajudeen.Olowolayemo@usda.gov

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The Grain Transportation Report is a weekly news source for grain logistics. Detailed data and trend information on five major modes: barge, truck, rail, container, and vessel, provide timely insight into grain transport. The report is offered to policymakers and industry as a tool in day-to-day decision making and longer-term strategic planning for an effective and efficient U.S. grain logistics system.

Market Update: U.S. Origins to Export Position Price Spreads

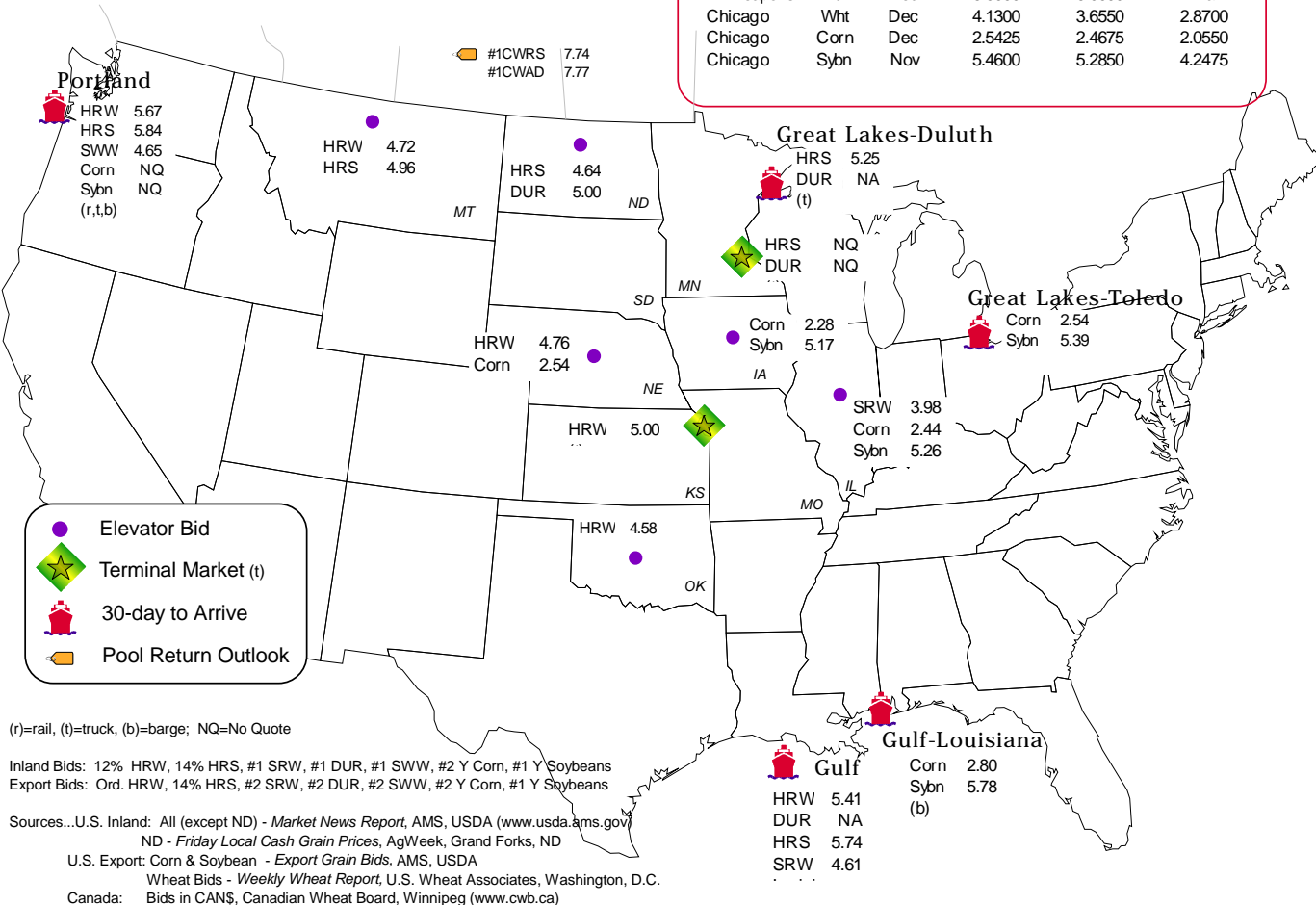
Per Bushel

Commodity	Origin--Destination	This week	Last week
Corn	IL -- Gulf	-0.36	-0.37
Corn	NE -- Gulf	-0.26	-0.21
Soybean	IA -- Gulf	-0.61	-0.62
HRW	KS -- Gulf	-0.41	-0.38
HRS	ND -- Portland	-1.20	-1.26

The **Grain Bid Summary** illustrates the market relationships for corn, soybeans, and five varieties of wheat among selected origins and destinations. Positive and negative adjustments in the differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Grain Bid Summary

Futures:				10/18/2002	Week Ago 10/11/2002	Year Ago 10/19/2001
Kansas City	Wht	Dec		4.7950	4.6850	2.9400
Minneapolis	Wht	Dec		4.9400	4.8550	3.1425
Minneapolis	Dur	Dec		6.0000	6.0000	n.a.
Chicago	Wht	Dec		4.1300	3.6550	2.8700
Chicago	Corn	Dec		2.5425	2.4675	2.0550
Chicago	Sybn	Nov		5.4600	5.2850	4.2475



RAIL TRANSPORTATION

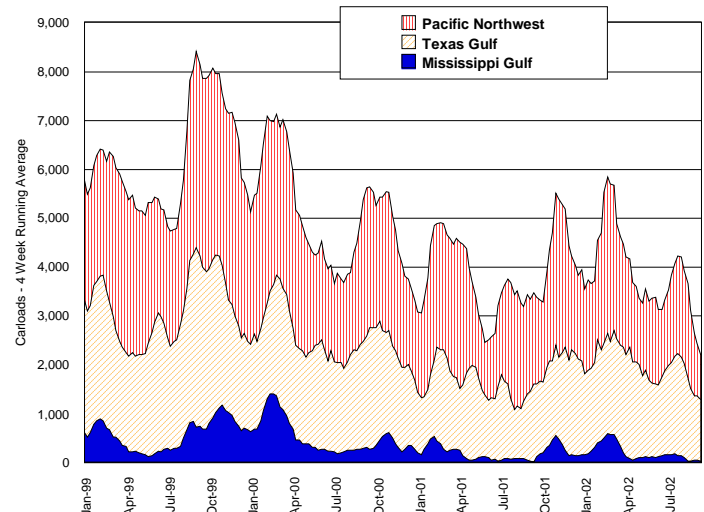
Rail Deliveries to Port

Carloads

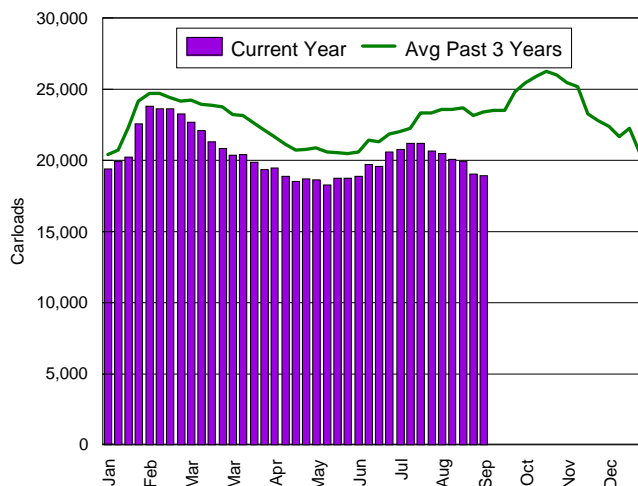
	Mississippi Gulf*	Texas Gulf	Pacific Northwest	Atlantic & East Gulf	Total
Week Ending:					
10/2/02	379	469	1,361	78	457
10/09/02	436	569	3,270	351	787
YTD 2002	8,412	69,594	76,477	15,861	24,273
YTD 2001	7,089	61,145	84,941	18,995	26,084
% of Last Year	119%	114%	90%	84%	93%
Total 2001	10,022	81,804	111,376	26,604	229,806
Total 2000	25,767	104,473	128,414	14,816	273,470

Source: Transportation & Marketing/AMS/USDA; (*) Incomplete Data

Rail Deliveries to Port



Grain Car Loadings for Class I Railroads



Railroads originate approximately 40% of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Class I Rail Carrier Grain Car Bulletin

Grain Carloads Originated and Grain Service Index

	East		West			U.S. Total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
10/19/02	3,181	3,345	9,547	514	6,922	23,509	3,360	4,815
This Week Last Year	3,253	4,024	10,104	674	7,870	25,925	4,979	4,306
2002 YTD	113,207	130,548	315,137	22,035	276,345	857,272	161,266	157,376
2001 YTD	121,624	128,080	341,028	20,081	280,939	891,752	205,157	187,581
2001 Total	151,864	163,018	428,603	26,330	347,156	1,116,971	254,982	232,461
2000 Total	147,708	153,905	425,849	26,515	364,785	1,118,762	160,749	239,670

Dec-01 95.5 93.1 100.9 101.0 98.0 97.5

Source: Association of American Railroads; *Base Year =2001, Index based on Number of Covered Hopper Cars Online for Rail Carrier

Rail service may be ordered directly from the railroad via **Auction** for guaranteed service or tariff for non-guaranteed service, or through the secondary market. The **Secondary Rail Market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The auction and secondary rail values are indicators of rail service quality and demand/supply.

Railroad Car 'Auction' Results

Average Premium/Discount to Tariff, \$/Car - Last Auction

Delivery for:	Sep-02	Oct-02	Nov-02
COT/N. Grain	no bid	no bid	no bid
COT/S. Grain	no bid	no bid	\$0
GCAS/Region 2	no bid	no bid	no offer
GCAS/Region 4	no bid	no bid	no offer

Source: Transportation & Marketing/AMS/USDA.

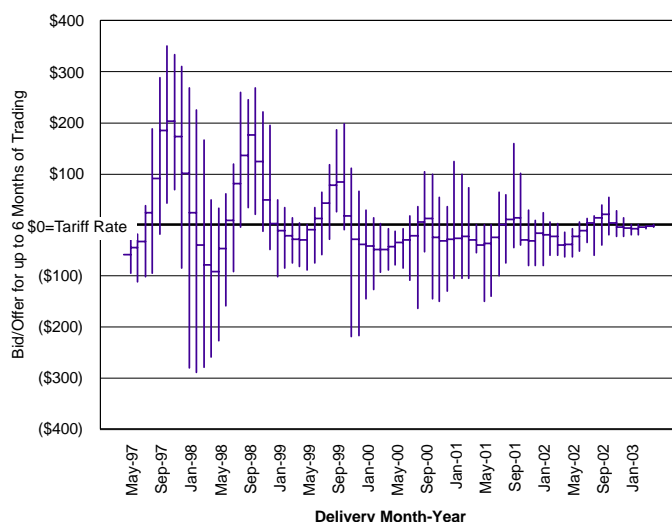
(COT=Certificate of Transportation; GCAS=Grain Car Allocation System)

Secondary Rail Car Market

Average Premium/Discount to Tariff, \$/Car - Last Week

	Delivery Period			
	Aug-02	Sep-02	Oct-02	Nov-02
BNSF-GF	\$(5)	\$0	\$(2)	\$(3)
UP-Pool	\$(55)	\$(35)	\$(5)	\$(10)

Secondary Rail Market Bid



Tariff Rail Rates for Unit Train Shipments

October 2002

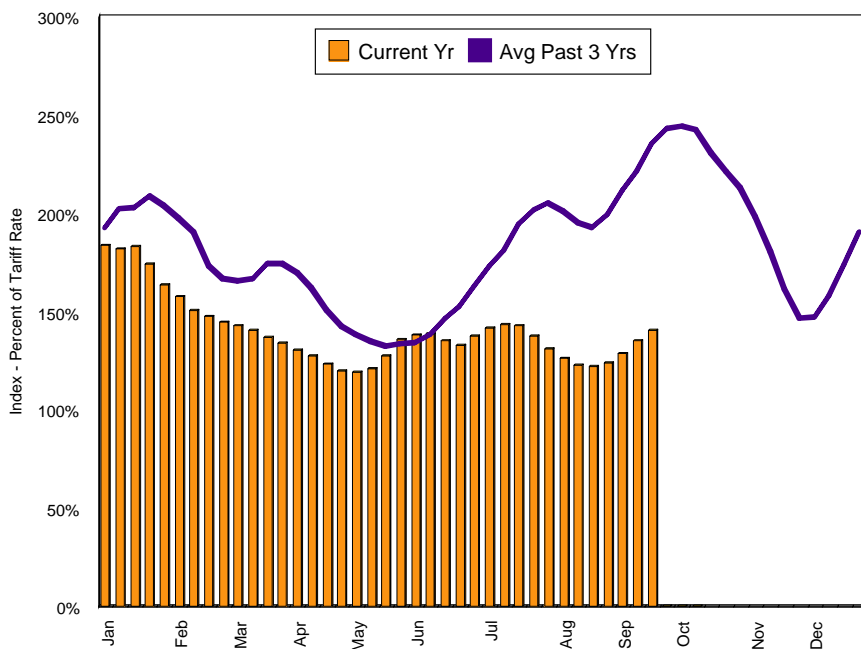
Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
10/07/02	45560	Wheat	Minneapolis, MN	Houston, TX	\$2,050	\$22.60	\$0.62
10/07/02	43521	Wheat	Minneapolis, MN	Portland, OR	\$3,877	\$42.74	\$1.16
10/07/02	46540	Wheat	Kansas City, MO	Houston, TX	\$1,650	\$18.19	\$0.50
10/07/02	43586	Wheat	Kansas City, MO	Portland, OR	\$4,347	\$47.92	\$1.30
10/07/02	43581	Wheat	Omaha, NE	Portland, OR	\$4,005	\$44.15	\$1.20
10/07/02	31005	Corn	Minneapolis, MN	Portland, OR	\$3,050	\$33.62	\$0.85
10/07/02	31035	Corn	Kansas City, MO	Portland, OR	\$2,700	\$29.76	\$0.76
10/07/02	31005	Corn	Omaha, NE	Portland, OR	\$2,850	\$31.42	\$0.80
10/07/02	61110	Soybean	Minneapolis, MN	Portland, OR	\$3,030	\$33.40	\$0.91
10/07/02	61110	Soybean	Omaha, NE	Portland, OR	\$2,780	\$30.64	\$0.83

Source: www.bnsf.com

Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

BARGE TRANSPORTATION

Illinois River Barge Rate Index - Rate Quotes



The **Illinois River Barge Rate Index** averaged 183% of the Benchmark Tariff Rate between 1999 and 2001, based on weekly market quotes. The **Index**, along with **Rate Quotes** and **Futures Market** bids are indicators of grain transport supply and demand.

Calculating barge rate per ton:
 $\text{Index} \times 1976 \text{ Tariff Benchmark Rate per Ton}$

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map below.

BARGE RATE QUOTES: Southbound Barge Freight

Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

	10/23/02	10/16/02	Nov '02	Jan '03
Twin Cities	223	212	216	0
Mid-Mississippi	225	215	181	0
Illinois River	209	206	167	182
St. Louis	170	175	145	124
Lower Ohio	195	169	150	123
Cairo-Memphis	196	174	133	117

Source: Transportation & Marketing /AMS/USDA; nq=no quote

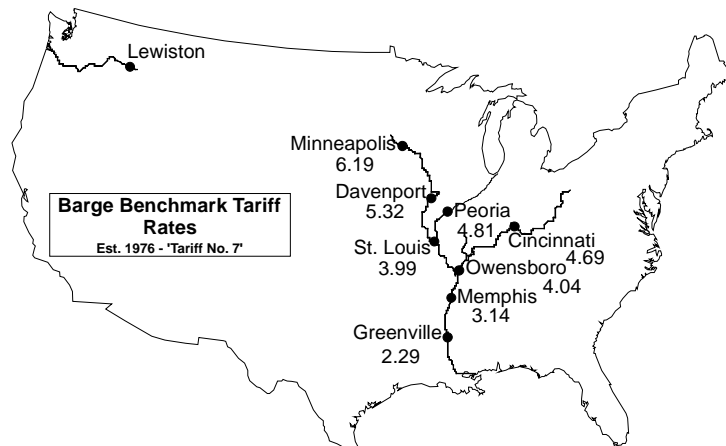
BARGE FUTURES MARKET

Southbound Barge Freight Nominal/Cash Basis Values

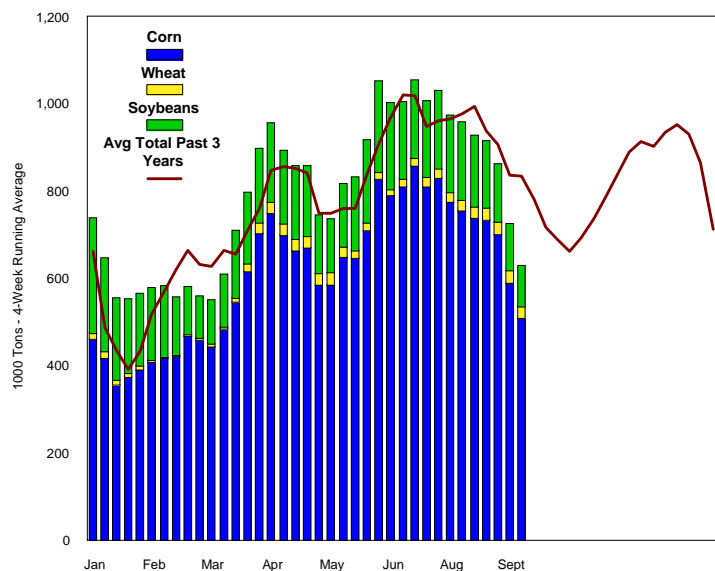
Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

Week ended	River/Region	Contract Period	Rate	
			Futures	Cash
10/22/02	St. Louis	Aug	n/a	n/a
		Oct	n/a	210
		Dec	n/a	125
		Feb	n/a	125
		Mar	n/a	125
	Illinois River	Aug	n/a	n/a
		Oct	n/a	210
		Dec	n/a	165
		Feb	n/a	170
		Mar	n/a	155

Source: St. Louis Merchants Exchange



Barge Movements on the Mississippi River (Lock 27)



Barge Grain Movements

for week ending 10/19/02

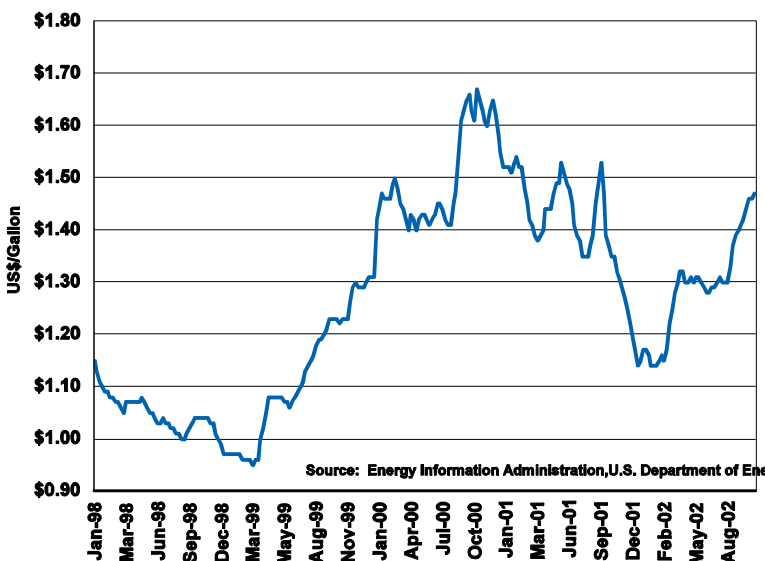
	Corn	Wht	Sybn	Total
	1,000 Tons			
Mississippi River				
Rock Island, IL (L15)	168	21	189	378
Winfield, MO (L25)	241	16	267	524
Alton, IL (L26)	380	16	434	845
Granite City, IL (L27)	366	11	410	803
Illinois River (L8)	122	0	128	266
Ohio River (L52)	11	3	31	76
Arkansas River (L1)	0	24	6	30
2002 YTD	27,606	2,190	8,352	39,444
2001 YTD	25,513	2,216	7,082	36,362
% of Last Year	108%	99%	118%	109%
Total 2001	31,878	2,679	10,616	47,091

YTD and Calendar year total includes Miss/27, Ohio/52 and Ark/1.

Source: U.S. Army Corp of Engineers.

TRUCK TRANSPORTATION

Weekly U.S. Retail Road Diesel Price, Including Taxes



Source: Energy Information Administration, U.S. Department of Energy

The weekly **Diesel Price** provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for truck grain movements, accounting for 37% of the estimated variable cost. **Crude Oil Price** is an indicator in future diesel price trends.

Crude Oil Prices

US\$ per Barrel

	This Week	Last Week	Average 2001*
Light Sweet Crude (NYMEX)	28.51	28.34	22.96
Brent Crude	26.76	26.26	

Source: www.eia.doe.gov; *U.S. Refiner Crude Acquisition Cost, Composite Domestic & Import

Note: Light Sweet Crude is exchanged on the New York Mercantile Exchange. North Sea oil has a "benchmark" role in crude oil pricing. Brent crude, a blend of North Sea oils, is traded on the International Petroleum Exchange in London

GRAIN EXPORTS

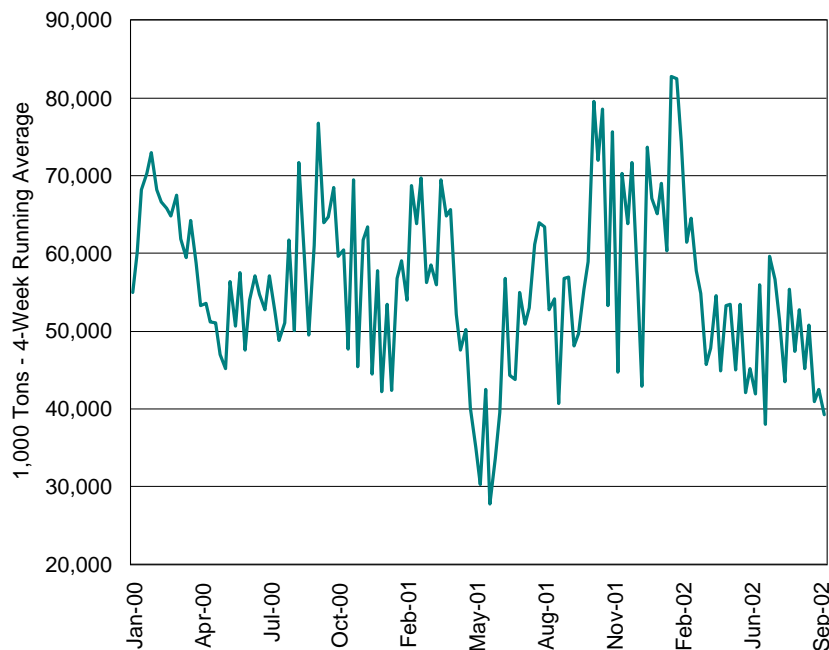
U.S. Export Balances (1,000 Metric Tons)

	<i>HRW</i>	<i>SRW</i>	<i>HRS</i>	<i>Wheat SWW</i>	<i>DUR</i>	<i>All</i>	<i>Corn</i>	<i>Soybean</i>	<i>Total</i>
Unshipped Export Balances									
10/17/02	1,618	675	1,641	917	103	4,954	6,760	7,860	19,574
This Week Year Ago	1,228	1,075	961	616	249	4,128	7,074	8,760	19,962
Cumulative Exports-Crop Year									
01/02 YTD	3,370	1,145	2,649	1,240	323	8,787	4,642	2,015	15,444
00/01 YTD	3,162	2,150	2,076	1,176	525	9,090	6,059	17,713	32,862
99/00 Total	9,858	4,710	6,305	5,413	1,232	27,518	37,220	24,516	89,254
98/99 Total	7,387	3,645	7,864	6,105	963	25,965	44,476	24,501	94,942
97/98 Total	9,867	6,792	8,918	6,443	897	32,918	55,769	23,550	112,237

Source: Foreign Agricultural Service YTD-Year-to-Date (www.fas.usda.gov) Crop Year:Wheat=5/31-6/01, Corn & Soybeans=9/01-8/31**Select U.S. Port Regions - Grain Inspections for Export - 1,000 Metric Tons**

	<u>Pacific Region</u>			<u>Mississippi Gulf</u>			<u>Texas Gulf</u>			<u>Port Region Total</u>		
	<i>Wheat</i>	<i>Corn</i>	<i>Soybn</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybn</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybn</i>	<i>Pacific</i>	<i>Mississippi</i>	<i>Texas</i>
10/24/02	261	0	243	145	533	642	71	0	0	504	1,320	71
2002 YTD	7,184	3,032	2,014	4,544	30,557	12,451	4,935	259	907	12,229	47,553	6,101
2001 YTD	7,972	4,402	1,939	5,100	29,016	11,705	4,633	253	1,246	14,314	45,821	6,132
% of Last Year	72%	50%	118%	67%	87%	69%	71%	55%	90%	69%	79%	73%
2001 Total	10,007	5,877	1,647	6,829	34,991	17,996	6,984	470	1,008	17,530	59,816	8,462

Source: Federal Grain Inspection Service YTD-Year-to-Date

U.S. Grain Inspected for Export**Select Canadian Port Export Inspections**

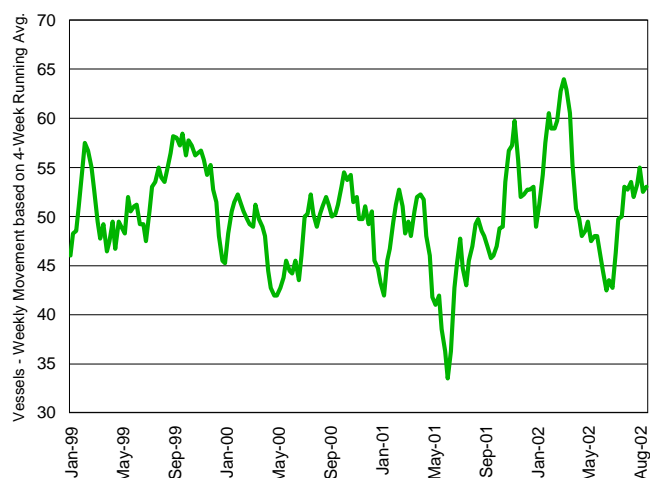
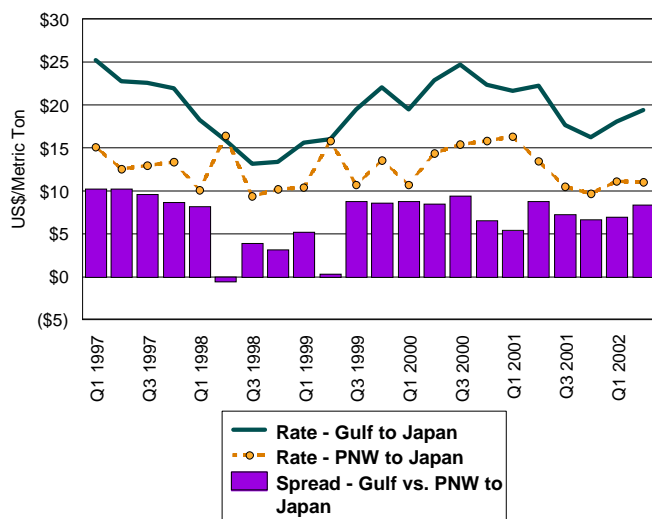
1,000 Metric Tons, Week End Summary

	<u>Wheat</u>	<u>Durum</u>	<u>Barley</u>
10/17/02			
Vancouver	318	21	3
Prince Rupert	366	18	
Prairie Direct	102	58	52
Thunder Bay	141	94	33
St. Lawrence	1,659	305	42
2001/02 YTD	2,586	496	130
2002/03 YTD	1,310	731	88
% of Last Year	197%	68%	148%

Source: Canadian Grains Commission, Crop Year 8/1- 7/31

Port Region Ocean Grain Vessels

	Gulf			Pacific Northwest	Vancouver B.C.
	In Port	Loaded 7-Days	Due Next 10-Days	In Port	In Port
10/17/02	41	52	72	14	
10/24/02	46	53	71	14	
2001 Range	(13..65)	(28..64)	(46..81)	(1..18)	(4..20)
2001 Avg	36	48	63	9	12

**Gulf Port Region Grain Vessel Loading
Past 7 Days****Grain Vessel Rates to Japan****Quarterly Ocean Freight Rates**

Average Rates & Percentage Changes, U.S. Dollars/Metric Ton

	2002 3 rd Qtr	2001 3 rd Qtr	% Change		2002 3 rd Qtr	2001 3 rd Qtr	% Change
Gulf to				Pacific NW to			
Japan	\$19.54	\$17.69	9%	Japan	\$11.57	\$11.46	10%
Mexico	\$7.14	-	-				
Venezuela	-	\$13.45	-				
N. Europe	-	\$12.06	-	Argentina to			
N. Africa	\$31.64	\$18.21	42%	Med. Sea	\$19.93	-	-
Med. Sea	\$11.92	\$12.05	-1%	N. Europe	-	\$16.22	-
Black Sea	-	-	-	Japan	-	\$29.40	-

Source: Transportation & Marketing/AMS/USDA; (*) rates shown are for metric ton (2,204.62 lbs.=one metric ton)

Ocean Freight Rates for Select Shipments - week ending 10/26/02

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate (\$/Ton)*
U.S. Gulf	El Salvador/Nicaragua	Grain Bggd	Dec 22/25	11,200	\$127.00
U.S. Gulf	Albania	Wheat	Nov 1/10	9,000	\$85.00
U.S. Gulf	Mozambique	Rice Bggd	Nov 6/20	5,500	\$153.00
U.S. Gulf	Indonesia	Soybean Meal	Dec 10/20	25,000	\$105.51
U.S. Gulf	Djibouti	Grains Bggd	Nov 25/Dec 10	2,710	\$79.75

Source: Maritime Research Inc.; rates shown are for metric ton (2,204.62 lbs.=one metric ton), F.O.B., except where otherwise indicated; op=option

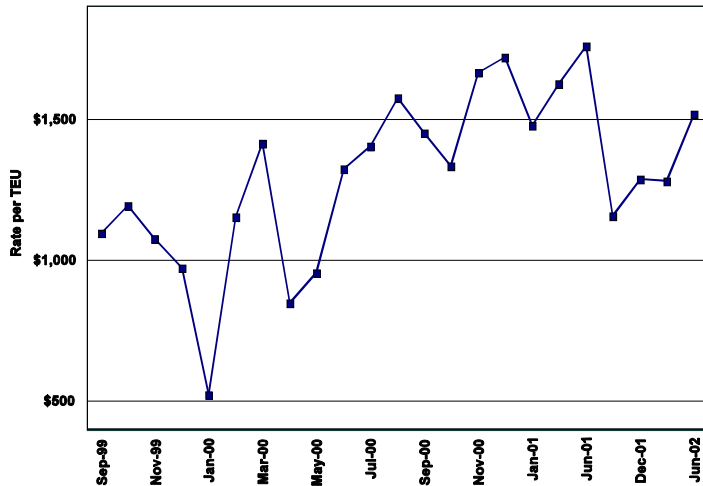
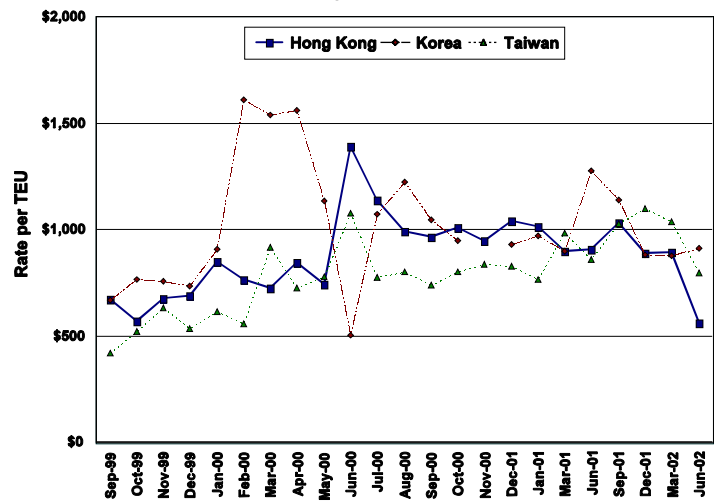
* Rates for all shipments tend to be higher than would be expected, considering time in transit. The Jones Act requires shipments of food aid from the U.S. to be shipped on U.S. flag vessels. These vessels are of limited availability resulting in higher rates. In addition, destinations receiving food aid generally lack adequate port unloading facilities, requiring the vessel to remain in port for a longer duration than normal. Lastly, the loading and unloading of bagged commodities is generally more labor intensive than bulk shipments, which also contributes to the additional cost.

CONTAINER

Container Ocean Freight Rates

Monthly Weighted Averages Based on Shipping Line Monthly Mkt. Share

Source: Transportation & Marketing/AMS/USDA

Container Rates - Soybeans
Seattle, WA Origin to Tokyo, Japan**Container Rates - Feed Grain**
Seattle, WA Origin to Selected Destinations

Approximately 420,000 MT of grain and oilseed exports were marketed via container in 2001. This volume increased 26% compared to 1997.